

House of Representatives

General Assembly

File No. 430

January Session, 2021

Substitute House Bill No. 6386

House of Representatives, April 14, 2021

The Committee on Environment reported through REP. GRESKO of the 121st Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING EXTENDED PRODUCER RESPONSIBILITY FOR TIRES, SMOKE DETECTORS AND CERTAIN GAS CYLINDERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (Effective October 1, 2021) (a) For the purposes of this
- 2 section:
- (1) "Brand" means a name, symbol, word or mark that attributes a gas
 cylinder to the producer of such gas cylinder;
- 5 (2) "Commissioner" means the Commissioner of Energy and 6 Environmental Protection:
- 7 (3) "Covered entity" means any political subdivision of the state,
- 8 permitted transfer station, state park or state or private campground
- 9 that possesses a discarded gas cylinder that was discarded in this state
- or at a temporary event, including any such event at a public or private
- 11 school, college or university where thirty or more cylinders are
- 12 generated;
- 13 (4) "Department" means the Department of Energy and
- 14 Environmental Protection;

15 (5) "Discarded gas cylinder" means any gas cylinder that a consumer 16 discarded, intends to discard or abandoned;

- (6) "Gas cylinder" or "cylinder" means any nonrefillable and refillable cylinder supplied with any type of flammable pressurized gas, helium or carbon dioxide, of any size greater than a water capacity of two pounds and up to and including cylinders with a water capacity of fifty pounds, including, but not limited to, seamless cylinders and tubes, welded cylinders and insulated cylinders intended to contain helium, carbon dioxide or any flammable materials such as propane, acetylene, butane, hydrogen, ethylene and all other flammable compressed gases. "Gas cylinder" does not include any cylinder, tube or container intended to deliver a product that is not a compressed gas;
- (7) "Gas cylinder stewardship organization" means any nonprofit organization created by producers or created by any trade association that represents producers and that designs, submits and implements the gas cylinder stewardship program;
- 31 (8) "Gas cylinder stewardship program" or "program" means the 32 state-wide program described in this section and implemented pursuant 33 to the gas cylinder stewardship plan;
 - (9) "Performance goal" means a metric proposed by the gas cylinder stewardship organization to measure, on an annual basis, the performance of the gas cylinder stewardship program, taking into consideration technical and economic feasibilities, in achieving continuous, meaningful improvement in the rate of gas cylinder recycling in the state and any other specified goal of the program;
 - (10) "Producer" means: (A) Any person who manufactures and uses in a commercial enterprise, sells, offers for sale or distributes any cylinder in the state under the brand of the manufacturer; (B) any person who is not the manufacturer of the cylinder but who is the owner or licensee of a trademark under which the cylinder is used in a commercial enterprise, sold, offered for sale or distributed in the state, whether or not the trademark is registered; or (C) any person who

imports any cylinder into the state for use in a commercial enterprise or for the commercial sale, offer for sale or distribution in the state;

- (11) "Recycling" means any process in which discarded cylinders, components and by-products may lose their original identity or form as they are transformed into new, usable or marketable materials. "Recycling" does not include the use of incineration for energy recovery;
- 53 (12) "Refurbish" means to restore for the purposes of refilling a cylinder;
 - (13) "Retailer" means any person who sells or offers for sale gas cylinders in this state or offers gas cylinders for sale in this state to a consumer; and
 - (14) "Sale" means the transfer of title of a gas cylinder for consideration, including, but not limited to, the use of a sales outlet, catalog, Internet web site or similar electronic means.
 - (b) On or before July 1, 2022, each producer, or such producer's designee, shall join a gas cylinder stewardship organization and such organization shall submit a plan, for the Commissioner of Energy and Environmental Protection's approval, to establish a state-wide gas cylinder stewardship program, as described in this subsection. Retailers may participate in any such gas cylinder stewardship organization. Such gas cylinder stewardship program shall, to the extent it is technologically feasible and economically practical: (1) Minimize public sector involvement in the management of discarded gas cylinders; (2) provide for free, convenient and accessible state-wide opportunities for the receipt of discarded gas cylinders from any person in the state with a discarded gas cylinder that was discarded in the state, including, but not limited to, participating covered entities that accumulate and segregate a minimum of thirty discarded gas cylinders for collection at one time; (3) provide for free collection of discarded gas cylinders from municipal transfer stations that accumulate and segregate fewer than thirty gas cylinders, provided the transfer station requires such collection due to space or permit requirements; (4) provide for gas

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cylinder stewardship organization-financed end-of-life management for discarded gas cylinders collected pursuant to subdivisions (2) and (3) of this subsection; and (5) provide suitable storage containers at, or make other mutually agreeable storage and transport arrangements for, permitted municipal transfer stations for segregated, discarded gas cylinders, at no cost to such municipality, provided any such municipal transfer station shall make space available for such purpose and shall not impose any fee for placement of such storage container on the municipal transfer station's premises.

- (c) The plan submitted pursuant to subsection (b) of this section shall: (1) Identify each producer participating in the program; (2) describe the fee structure for the program; (3) establish performance goals for the first two years of the program; (4) identify proposed facilities to be used by the program; (5) detail how the program will promote the recycling of discarded gas cylinders; and (6) include a description of the public education program that will be used to promote consumer knowledge of such program. The fee structure described in subdivision (2) of this subsection shall not include a fee charged to consumers at the point of sale.
- (d) Each stewardship organization shall establish and implement a fee structure that covers, but does not exceed, the costs of developing the plan described in subsection (c) of this section, operating and administering the program described in subsection (b) of this section and maintaining a financial reserve sufficient to operate the program over a multiyear period of time in a fiscally prudent and responsible manner. Each stewardship organization shall maintain all records relating to the program for a period of not less than three years.
- (e) Pursuant to the program, recycling shall be required for gas cylinders and residual gases recovered for reuse.
- (f) The Commissioner of Energy and Environmental Protection shall approve a plan for the establishment of the gas cylinder stewardship program, provided such plan meets the requirements of subsections (b) to (e), inclusive, of this section. Not later than ninety days after

submission of the plan pursuant to this section, the commissioner shall make a determination whether to approve the plan. Prior to making such determination, the commissioner shall post the plan on the department's Internet web site and solicit public comments on the plan. Such solicitation shall not be conducted pursuant to chapter 54 of the general statutes. In the event that the commissioner disapproves the plan because it does not meet the requirements of subsections (b) to (e), inclusive, of this section, the commissioner shall describe the reasons for the disapproval in a notice of determination that the commissioner shall provide to the gas cylinder stewardship organization. Such stewardship organization shall revise and resubmit the plan to the commissioner not later than forty-five days after receipt of the commissioner's notice of disapproval. Not later than forty-five days after receipt of the revised plan, the commissioner shall review and approve or disapprove the revised plan, and provide a notice of determination to the gas cylinder stewardship organization. Such stewardship organization may resubmit a revised plan to the commissioner for approval on not more than two occasions. If the gas cylinder stewardship organization fails to submit a plan that is acceptable to the commissioner because it does not meet the requirements of subsections (b) to (e), inclusive, of this section, the commissioner shall modify a submitted plan to make it conform to the requirements of subsections (b) to (e), inclusive, of this section, and approve it. Not later than one hundred twenty days after the approval of a plan pursuant to this section, or one hundred eighty days, in the case of a plan modified by the commissioner, the gas cylinder stewardship organization shall implement the gas cylinder stewardship program.

(g) (1) Each gas cylinder stewardship organization shall submit any proposed substantial change to the program to the Commissioner of Energy and Environmental Protection for approval. For the purposes of this subdivision, "substantial change" means: (A) A change in the processing facilities to be used for discarded gas cylinders collected pursuant to the program, or (B) a material change to the system for collecting gas cylinders. If the commissioner does not disapprove a proposed substantial change within ninety days of receipt of notification

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of such proposed substantial change, such proposed substantial change shall be deemed approved.

- (2) Not later than July 1, 2025, each gas cylinder stewardship organization shall submit updated performance goals to the commissioner that are based on the experience of the program during the first two years of the program.
- (h) Each gas cylinder stewardship organization shall notify the Commissioner of Energy and Environmental Protection of other material changes to the program on an ongoing basis, without resubmission of the plan to the commissioner for approval. Such changes shall include, but not be limited to, a change in the composition, officers or contact information of the gas cylinder stewardship organization.
- (i) Not later than October fifteenth of each year, each gas cylinder stewardship organization shall submit an annual report to the Commissioner of Energy and Environmental Protection, on a form prescribed by the commissioner. The commissioner shall post such annual report on the department's Internet web site. Such report shall include: (1) The tonnage of gas cylinders collected pursuant to the program from: (A) Municipal transfer stations, (B) retailers, and (C) all other covered entities; (2) the weight of gas cylinder materials recycled, as indicated by the weight of each of the commodities sold to secondary markets; (3) the weight of gas cylinders refurbished; (4) a summary of the public education program that supports the program; (5) an evaluation of the effectiveness of methods and processes used to achieve performance goals of the program; and (6) recommendations for any changes to the program.
 - (j) Two years after the implementation of the program and every three years thereafter, or upon the request of the Commissioner of Energy and Environmental Protection but not more frequently than once a year, each gas cylinder stewardship organization shall cause an audit of the program to be conducted by an auditor selected by the commissioner. Such audit shall review the accuracy of the gas

stewardship organization's data concerning the program and provide any other information requested by the commissioner, consistent with the requirements of this section, provided such request does not require the disclosure of any proprietary information or trade or business secrets. Such audit shall be paid for by each gas cylinder stewardship organization. Each gas cylinder stewardship organization shall maintain all records relating to the program for not less than three years.

- (k) Upon implementation of the gas cylinder stewardship program described in this section, any covered entity that participates in such program shall not charge for the receipt of discarded gas cylinders that are discarded in this state, provided any such covered entity may restrict the acceptance of gas cylinders by number, source or condition.
- (l) Not later than three years after the approval of the gas cylinder stewardship plan pursuant to this section, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment. Such report shall provide an evaluation of the gas cylinder stewardship program and establish a goal for the amount of discarded cylinders managed under the program and a separate goal for the recycling of gas cylinders, taking into consideration technical and economic feasibilities.
- (m) Each producer and gas cylinder stewardship organization shall be immune from liability for any claim of a violation of antitrust law or unfair trade practice, if such conduct is a violation of antitrust law, to the extent such producer or gas cylinder stewardship organization is exercising authority pursuant to the provisions of this section.
- (n) The Commissioner of Energy and Environmental Protection may seek civil enforcement of the provisions of this section pursuant to chapter 439 of the general statutes.
- (o) Whenever, in the judgment of the Commissioner of Energy and Environmental Protection, any person has engaged in or is about to

212 engage in any act, practice or omission that constitutes, or will 213 constitute, a violation of any provision of this section, the Attorney 214 General may, at the request of the commissioner, bring an action in the 215 superior court for the judicial district of New Britain for an order 216 enjoining such act, practice or omission. Such order may require 217 remedial measures and direct compliance with the provisions of this 218 section. Upon a showing by the commissioner that such person has 219 engaged in or is about to engage in any such act, practice or omission, 220 the court may issue a permanent or temporary injunction, restraining 221 order or other order, as appropriate.

- (p) Any action brought by the Attorney General pursuant to this section shall have precedence in the order of trial, as provided in section 52-191 of the general statutes.
- 225 (q) In the event that another state implements a gas cylinder recycling 226 program, each gas cylinder stewardship organization may collaborate 227 with such state to conserve efforts and resources used in carrying out 228 the gas cylinder stewardship program, provided such collaboration is 229 consistent with the requirements of this section.
- 230 (r) The Commissioner of Energy and Environmental Protection may 231 assess a reasonable fee to each gas cylinder stewardship organization, 232 not to exceed ten per cent of total program costs, for administration of 233 the gas cylinder stewardship program.
- 234 (s) Any producer who fails to participate in the gas cylinder 235 stewardship program shall not sell or offer for sale gas cylinders in this 236 state.
- Sec. 2. (NEW) (*Effective October 1, 2021*) (a) For the purposes of this section:
- 239 (1) "Brand" means a name, symbol, word or mark that attributes a tire 240 to the producer of such tire;
- 241 (2) "Commissioner" means the Commissioner of Energy and 242 Environmental Protection;

243 (3) "Covered entity" means any permitted transfer station, tire 244 retailer, car dealership, automotive garage or private or public sector 245 fleet maintenance garage;

- 246 (4) "Department" means the Department of Energy and 247 Environmental Protection;
- 248 (5) "Discarded tire" means any tire that a consumer discarded or 249 abandoned, or intends to discard or abandon;
- 250 (6) "Tire" means a product composed primarily of rubber that is 251 mounted on the wheels of all types of passenger and commercial on-252 road and off-road motorized vehicles including passenger vehicles, 253 motorcycles, trucks, buses, mobile homes, trailers, noncommercial 254 aircraft, and earthmoving, road building, mining, logging, agricultural, 255 industrial, and other vehicles to provide mobility. "Tire" does not 256 include any tire from any toy, bicycle, commercial aircraft or personal 257 mobility device;
 - (7) "Tire stewardship organization" means the nonprofit organization created by producers or created by any trade association that represents producers who account for a majority of tire production in the United States and that designs, submits and implements the gas tire stewardship program;
 - (8) "Tire stewardship program" or "program" means the state-wide program described in this section and implemented pursuant to the tire stewardship plan;
 - (9) "Performance goal" means a metric proposed by the tire stewardship organization to measure, on an annual basis, the performance of the tire stewardship program, taking into consideration technical and economic feasibilities, in achieving continuous, meaningful improvement in the rate of tire recycling in the state and any other specified goal of such program;
 - (10) "Producer" means any person who manufactures a tire that is sold, offered for sale or distributed in this state under the producer's

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own name or brand. "Producer" includes (A) the owner of a trademark or brand under which a tire is sold, offered for sale or distributed in this state, and (B) any person who imports a tire into the United States that is sold or offered for sale in this state and that is manufactured by a person who does not have a presence in the United States. "Producer" does not include any manufacturer of tires with less than one-tenth of one per cent of the nationally recognized market share;

- (11) "Recycling" means any process in which discarded tires, components and by-products may lose their original identity or form as they are transformed into new, usable or marketable materials. "Recycling" does not include the use of incineration for energy recovery;
- (12) "Retailer" means any person who sells or offers for sale tires in this state or offers tires for sale in this state to a consumer; and
- (13) "Sale" means the transfer of title of a tire for consideration, including, but not limited to, the use of a sales outlet, catalog, Internet web site or similar electronic means.
- (b) On or before July 1, 2022, each producer, or such producer's designee, shall join the tire stewardship organization and such organization shall submit a plan, for the Commissioner of Energy and Environmental Protection's approval, to establish a state-wide tire stewardship program, as described in this subsection. Retailers may participate in any such tire stewardship organization. Such tire stewardship program shall, to the extent it is technologically feasible and economically practical: (1) Minimize public sector involvement in the management of discarded tires; (2) provide for free, convenient and accessible state-wide opportunities for the receipt of discarded tires from any person in the state with a discarded tire that was discarded in the state, including, but not limited to, participating covered entities that accumulate and segregate a minimum of six cubic yards of discarded tires at one time; (3) provide for free collection of discarded tires from municipal transfer stations that accumulate and segregate fewer than one hundred tires, provided the transfer station requires such collection due to space or permit requirements; (4) provide for producer-financed

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end-of-life management for discarded tires collected pursuant to subdivisions (2) and (3) of this subsection; and (5) provide suitable storage containers at, or make other mutually agreeable storage and transport arrangements for, permitted municipal transfer stations for segregated, discarded tires, at no cost to such municipality.

- (c) The plan submitted pursuant to subsection (b) of this section shall: (1) Identify each producer participating in the program; (2) describe how the program will be financed; (3) establish performance goals for the first two years of the program; (4) identify proposed facilities to be used by the program; (5) detail how the program follows the solid waste hierarchy, as defined in the state-wide solid waste management plan, and will promote the recycling of discarded tires; and (6) include a description of the public education program that will be used to promote consumer knowledge of such program.
- (d) Each stewardship organization shall establish and implement a system for financing the tire stewardship program that covers, but does not exceed, the costs of developing the plan described in subsection (c) of this section, operating and administering the program described in subsection (b) of this section and maintaining a financial reserve for six months sufficient to operate the program. Each stewardship organization shall maintain all records relating to the program for a period of not less than three years. Funding of such program may be through a fee structure.
- (e) The Commissioner of Energy and Environmental Protection shall approve a plan for the establishment of the tire stewardship program, provided such plan meets the requirements of subsections (b) to (e), inclusive, of this section. Prior to making such determination, the commissioner shall post the plan on the department's Internet web site and solicit public comments on the plan. Such solicitation shall not be conducted pursuant to chapter 54 of the general statutes. Not later than ninety days after submission of the plan pursuant to this section, the commissioner shall make a determination whether to approve the plan. In the event that the commissioner disapproves the plan because it does

not meet the requirements of subsections (b) to (e), inclusive, of this section, the commissioner shall describe the reasons for the disapproval in a notice of determination that the commissioner shall provide to the tire stewardship organization. Such stewardship organization shall revise and resubmit the plan to the commissioner not later than fortyfive days after receipt of the commissioner's notice of disapproval. Not later than forty-five days after receipt of the revised plan, the commissioner shall review and approve or disapprove the revised plan, and provide a notice of determination to the gas cylinder stewardship organization. Such stewardship organization may resubmit a revised plan to the commissioner for approval on not more than two occasions. If the tire stewardship organization fails to submit a plan that is acceptable to the commissioner because it does not meet the requirements of subsections (b) to (e), inclusive, of this section, the commissioner shall modify a submitted plan to make it conform to the requirements of subsections (b) to (e), inclusive, of this section, and approve it. Not later than one hundred twenty days after the approval of a plan pursuant to this section, or one hundred eighty days, in the case of a plan modified by the commissioner, the tire stewardship organization shall implement the tire stewardship program.

- (f) (1) The tire stewardship organization shall submit any proposed substantial change to the program to the Commissioner of Energy and Environmental Protection for approval. For the purposes of this subdivision, "substantial change" means: (A) A change in the processing facilities to be used for discarded tires collected pursuant to the program, or (B) a material change to the system for collecting tires.
- (2) Not later than July 1, 2025, the tire stewardship organization shall submit updated performance goals to the commissioner that are based on the experience of the program during the first two years of the program.
- (g) Each tire stewardship organization shall notify the Commissioner of Energy and Environmental Protection of other material changes to the program on an ongoing basis, without resubmission of the plan to

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the commissioner for approval. Such changes shall include, but not be limited to, a change in the composition, officers or contact information of the tire stewardship organization.

- (h) Not later than October fifteenth of each year, each tire stewardship organization shall submit an annual report to the Commissioner of Energy and Environmental Protection, on a form prescribed by the commissioner. The commissioner shall post such annual report on the department's Internet web site. Such report shall include: (1) The tonnage of tires collected pursuant to the program from: (A) Municipal transfer stations, (B) retailers, and (C) all other covered entities; (2) the tonnage of tires diverted for recycling; (3) a summary of the public education program that supports the program; (4) an evaluation of the effectiveness of methods and processes used to achieve performance goals of the program; and (5) recommendations for any changes to the program.
- (i) Two years after the implementation of the program and every three years thereafter, or upon the request of the Commissioner of Energy and Environmental Protection but not more frequently than once a year, each tire stewardship organization shall cause an audit of the program to be conducted by an auditor selected by the commissioner. Such audit shall review the accuracy of the tire stewardship organization's data concerning the program and provide any other information requested by the commissioner, consistent with the requirements of this section, provided such request does not require the disclosure of any proprietary information or trade or business secrets. Such audit shall be paid for by each tire stewardship organization. Each tire stewardship organization shall maintain all records relating to the program for not less than three years.
- (j) Upon implementation of the tire stewardship program described in this section, any covered entity that participates in such program shall not charge for the receipt of discarded tires that are discarded in this state, provided any such covered entity may restrict the acceptance of tires by number, source or condition.

(k) Not later than three years after the approval of the tire stewardship plan pursuant to this section, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment. Such report shall provide an evaluation of the tire stewardship program and establish a goal for the amount of discarded tires managed under the program and a separate goal for the diversion of tires for recycling, taking into consideration technical and economic feasibilities.

- (l) Each producer and the tire stewardship organization shall be immune from liability for any claim of a violation of antitrust law or unfair trade practice, if such conduct is a violation of antitrust law, to the extent such producer or tire stewardship organization is exercising authority pursuant to the provisions of this section.
- (m) The Commissioner of Energy and Environmental Protection may seek civil enforcement of the provisions of this section pursuant to chapter 439 of the general statutes.
 - (n) Whenever, in the judgment of the Commissioner of Energy and Environmental Protection, any person has engaged in or is about to engage in any act, practice or omission that constitutes, or will constitute, a violation of any provision of this section, the Attorney General may, at the request of the commissioner, bring an action in the superior court for the judicial district of New Britain for an order enjoining such act, practice or omission. Such order may require remedial measures and direct compliance with the provisions of this section. Upon a showing by the commissioner that such person has engaged in or is about to engage in any such act, practice or omission, the court may issue a permanent or temporary injunction, restraining order or other order, as appropriate.
 - (o) Any action brought by the Attorney General pursuant to this section shall have precedence in the order of trial, as provided in section 52-191 of the general statutes.

(p) In the event that another state implements a tire stewardship or recycling program, the tire stewardship organization may collaborate with such state to conserve efforts and resources used in carrying out the tire stewardship program, provided such collaboration is consistent with the requirements of this section.

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- (q) The Commissioner of Energy and Environmental Protection may assess a reasonable fee to the tire stewardship organization, not to exceed ten per cent of total program costs, for administration of the tire stewardship program.
- (r) Any producer who fails to participate in the tire stewardship program shall not sell or offer for sale tires in this state.
- Sec. 3. (NEW) (*Effective October 1, 2021*) (a) For the purposes of this section:
- 452 (1) "Brand" means a name, symbol, word or mark that attributes a 453 smoke detector to the producer of such smoke detector;
- 454 (2) "Commissioner" means the Commissioner of Energy and 455 Environmental Protection;
- 456 (3) "Covered entity" means any political subdivision of the state, 457 permitted transfer station, or permitted household hazardous waste 458 facility that possesses a discarded smoke detector that was discarded in 459 this state;
- 460 (4) "Department" means the Department of Energy and 461 Environmental Protection;
- 462 (5) "Discarded smoke detector" means any smoke detector that a consumer discarded, intends to discard or abandoned;
 - (6) "Smoke detector" means any battery operated or plug-in smoke detector intended for use in a residential dwelling, any carbon monoxide detector intended for use in a residential dwelling and any smoke detector and carbon monoxide detector combination intended

for use in a residential dwelling with or without an alarm notification;

(7) "Smoke detector stewardship organization" means the nonprofit organization created by producers or created by any trade association that represents producers who account for a majority of smoke detector production in the United States and that designs, submits and implements the smoke detector stewardship program;

- (8) "Smoke detector stewardship program" or "program" means the state-wide program described in this section and implemented pursuant to the smoke detector stewardship plan;
- (9) "Performance goal" means a metric proposed by the smoke detector stewardship organization to measure, on an annual basis, the performance of the smoke detector stewardship program, taking into consideration technical and economic feasibilities, in achieving continuous, meaningful improvement in the rate of smoke detector recycling in the state and any other specified goal of the program;
- (10) "Producer" means any person who manufactures a smoke detector that is sold, offered for sale or distributed in the state under the producer's own name or brand. "Producer" includes (A) the owner of a trademark or brand under which a smoke detector is sold, offered for sale or distributed in this state, whether or not such trademark or brand is registered in this state, and (B) any person who imports a smoke detector into the United States that is sold or offered for sale in this state and that is manufactured or renovated by a person who does not have a presence in the United States;
 - (11) "Recycling" means any process in which discarded smoke detectors, components and by-products may lose their original identity or form as they are transformed into new, usable or marketable materials. "Recycling" does not include the use of incineration for energy recovery;
- (12) "Retailer" means any person who sells or offers for sale smoke detectors in this state or offers smoke detectors for sale in this state to a

consumer; and

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(13) "Sale" means the transfer of title of a smoke detector for consideration, including, but not limited to, the use of a sales outlet, catalog, Internet web site or similar electronic means.

(b) On or before July 1, 2022, each producer, or such producer's designee, shall join the smoke detector stewardship organization and such organization shall submit a plan, for the Commissioner of Energy and Environmental Protection's approval, to establish a state-wide smoke detector stewardship program, as described in this subsection. Retailers may participate in any such smoke detector stewardship organization. Such smoke detector stewardship program shall, to the extent it is technologically feasible and economically practical: (1) Minimize public sector involvement in the management of discarded smoke detectors; (2) provide for free, convenient and accessible statewide opportunities for the receipt of discarded smoke detectors from any person in the state with a discarded smoke detector that was discarded in the state, including, but not limited to, participating covered entities that accumulate and segregate a minimum of fifty discarded smoke detectors for collection at one time and municipal transfer stations that discard a minimum of thirty smoke detectors at one time; (3) provide for free collection of discarded smoke detectors from municipal transfer stations that accumulate and segregate fewer than thirty smoke detectors, provided the transfer station requires such collection due to space or permit requirements; (4) provide for smoke detector stewardship organization-financed end-of-life management for discarded smoke detectors collected pursuant to subdivisions (2) and (3) of this subsection; and (5) provide suitable storage containers at, or make other mutually agreeable storage and transport arrangements for, permitted municipal transfer stations for segregated, discarded smoke detectors, at no cost to such municipality, provided any such municipal transfer station shall make space available for such purpose and shall not impose any fee for placement of such storage container on the municipal transfer station's premises.

(c) The plan submitted pursuant to subsection (b) of this section shall: (1) Identify each producer participating in the program; (2) describe the fee structure for the program; (3) establish performance goals for the first two years of the program; (4) identify proposed facilities to be used by the program; (5) detail how the program will promote the recycling of discarded smoke detectors; and (6) include a description of the public education program that will be used to promote consumer knowledge of such program. The fee structure described in subdivision (2) of this subsection shall not include a fee charged to consumers at the point of sale.

- (d) The smoke detector stewardship organization shall establish and implement a fee structure that covers, but does not exceed, the costs of developing the plan described in subsection (c) of this section, operating and administering the program described in subsection (b) of this section and maintaining a financial reserve sufficient to operate the program over a multiyear period of time in a fiscally prudent and responsible manner. The smoke detector stewardship organization shall maintain all records relating to the program for a period of not less than three years.
- (e) Pursuant to the program, recycling shall be preferred over any other disposal method for smoke detectors, to the extent that recycling is technologically feasible and economically practical.
- (f) The Commissioner of Energy and Environmental Protection shall approve a plan for the establishment of the smoke detector stewardship program, provided such plan meets the requirements of subsections (b) to (e), inclusive, of this section. Not later than ninety days after submission of the plan pursuant to this section, the commissioner shall make a determination whether to approve the plan. Prior to making such determination, the commissioner shall post the plan on the department's Internet web site and solicit public comments on the plan. Such solicitation shall not be conducted pursuant to chapter 54 of the general statutes. In the event that the commissioner disapproves the plan because it does not meet the requirements of subsections (b) to (e),

inclusive, of this section, the commissioner shall describe the reasons for the disapproval in a notice of determination that the commissioner shall provide to the smoke detector stewardship organization. Such stewardship organization shall revise and resubmit the plan to the commissioner not later than forty-five days after receipt of the commissioner's notice of disapproval. Not later than forty-five days after receipt of the revised plan, the commissioner shall review and approve or disapprove the revised plan, and provide a notice of determination to the smoke detector stewardship organization. Such stewardship organization may resubmit a revised plan to the commissioner for approval on not more than two occasions. If the smoke detector stewardship organization fails to submit a plan that is acceptable to the commissioner because it does not meet the requirements of subsections (b) to (e), inclusive, of this section, the commissioner shall modify a submitted plan to make it conform to the requirements of subsections (b) to (e), inclusive, of this section, and approve it. Not later than one hundred twenty days after the approval of a plan pursuant to this section, or one hundred eighty days, in the case of a plan modified by the commissioner, the smoke detector stewardship organization shall implement the smoke detector stewardship program.

(g) (1) The smoke detector stewardship organization shall submit any proposed substantial change to the program to the Commissioner of Energy and Environmental Protection for approval. For the purposes of this subdivision, "substantial change" means: (A) A change in the processing facilities to be used for discarded smoke detectors collected pursuant to the program, or (B) a material change to the system for collecting smoke detectors. If the commissioner does not disapprove a proposed substantial change within ninety days of receipt of notification of such proposed substantial change, such proposed substantial change shall be deemed approved.

(2) Not later than July 1, 2025, the smoke detector stewardship organization shall submit updated performance goals to the commissioner that are based on the experience of the program during

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the first two years of the program.

(h) The smoke detector stewardship organization shall notify the Commissioner of Energy and Environmental Protection of other material changes to the program on an ongoing basis, without resubmission of the plan to the commissioner for approval. Such changes shall include, but not be limited to, a change in the composition, officers or contact information of the smoke detector stewardship organization.

- (i) Not later than October fifteenth of each year, the smoke detector stewardship organization shall submit an annual report to the Commissioner of Energy and Environmental Protection, on a form prescribed by the commissioner. The commissioner shall post such annual report on the department's Internet web site. Such report shall include: (1) The weight of smoke detectors collected pursuant to the program from: (A) Municipal transfer stations, (B) retailers, and (C) all other covered entities; (2) the weight of smoke detectors diverted for recycling; (3) the weight of smoke detector materials recycled, as indicated by the weight of each of the commodities sold to secondary markets; (4) a summary of the public education program that supports the program; (5) an evaluation of the effectiveness of methods and processes used to achieve performance goals of the program; and (6) recommendations for any changes to the program.
- (j) Two years after the implementation of the program and every three years thereafter, or upon the request of the Commissioner of Energy and Environmental Protection but not more frequently than once a year, the smoke detector stewardship organization shall cause an audit of the program to be conducted by an auditor selected by the commissioner. Such audit shall review the accuracy of the smoke detector organization's data concerning the program and provide any other information requested by the commissioner, consistent with the requirements of this section, provided such request does not require the disclosure of any proprietary information or trade or business secrets. Such audit shall be paid for by the smoke detector stewardship

organization. The smoke detector organization shall maintain all records relating to the program for not less than three years.

- (k) Upon implementation of the smoke detector stewardship program described in this section, any covered entity that participates in such program shall not charge for the receipt of discarded smoke detectors that are discarded in this state provided any such covered entity may restrict the acceptance of smoke detectors by number, source or condition.
- (l) Not later than three years after the approval of the smoke detector stewardship plan pursuant to this section, the Commissioner of Energy and Environmental Protection shall submit a report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to the environment. Such report shall provide an evaluation of the smoke detector stewardship program and establish a goal for the amount of discarded smoke detectors managed under the program and a separate goal for the recycling of smoke detectors, taking into consideration technical and economic feasibilities.
- (m) Each producer and the smoke detector stewardship organization shall be immune from liability for any claim of a violation of antitrust law or unfair trade practice, if such conduct is a violation of antitrust law, to the extent such producer or smoke detector stewardship organization is exercising authority pursuant to the provisions of this section.
- (n) The Commissioner of Energy and Environmental Protection may seek civil enforcement of the provisions of this section pursuant to chapter 439 of the general statutes.
- (o) Whenever, in the judgment of the Commissioner of Energy and Environmental Protection, any person has engaged in or is about to engage in any act, practice or omission that constitutes, or will constitute, a violation of any provision of this section, the Attorney General may, at the request of the commissioner, bring an action in the

superior court for the judicial district of New Britain for an order enjoining such act, practice or omission. Such order may require remedial measures and direct compliance with the provisions of this section. Upon a showing by the commissioner that such person has engaged in or is about to engage in any such act, practice or omission, the court may issue a permanent or temporary injunction, restraining order or other order, as appropriate.

- (p) Any action brought by the Attorney General pursuant to this section shall have precedence in the order of trial, as provided in section 52-191 of the general statutes.
- (q) In the event that another state implements a smoke detector recycling program, the smoke detector stewardship organization may collaborate with such state to conserve efforts and resources used in carrying out the smoke detector stewardship program, provided such collaboration is consistent with the requirements of this section.
- (r) The Commissioner of Energy and Environmental Protection may assess a reasonable fee to the smoke detector stewardship organization, not to exceed ten per cent of total program costs, for administration of the smoke detector stewardship program.
- (s) Any producer who fails to participate in the smoke detector stewardship program shall not sell or offer for sale smoke detectors in this state.

This act shall take effect as follows and shall amend the following sections:				
Section 1	October 1, 2021	New section		
Sec. 2	October 1, 2021	New section		
Sec. 3	October 1, 2021	New section		

ENV Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Energy and	GF - Potential	See Below	See Below
Environmental Protection	Savings		

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill establishes three extended producer responsibility (EPR) programs to manage three products: (1) gas cylinders, (2) tires, and (3) smoke detectors. It requires manufacturers to join a nonprofit organization established by themselves or their trade association.

It is that estimated that there would be approximately 20-25 members of each of the three products in the newly established stewardship organizations.

Under the bill, an organization must develop a plan by July 1, 2022, to minimize public sector involvement in managing these products, and submit their plans to the Department of Energy and Environmental Protection (DEEP) for approval. The fee structure for the third-party non-profit must cover but not exceed program costs, including a reserve. The third-party fee structure and administration have no fiscal impact to the state or municipalities.

Additionally, the bill allows DEEP to enforce the EPR program. This also has no fiscal impact to the state or municipalities as DEEP would not collect enforcement penalties under the privately administered EPR program.

An EPR program for (propane) gas cylinders, newly established under the bill, may result in a savings to municipalities and the state, including DEEP (since many propane canisters are left at state campgrounds) associated with reduced cleanup costs, as illegal dumping of tires currently occurs on state and municipal property. The bill may also result in a savings to municipalities to the extent less tires are shipped out-of-state as municipal solid waste (MSW) as can be current practice.

The extent of municipal savings depends on the volume of these products currently being disposed of in the MSW stream and the current tip fee for each municipality.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis sHB 6386

AN ACT CONCERNING EXTENDED PRODUCER RESPONSIBILITY FOR TIRES, SMOKE DETECTORS AND CERTAIN GAS CYLINDERS.

SUMMARY

This bill establishes three separate, statewide stewardship programs to manage the following discarded products: gas cylinders (§ 1), tires (§ 2), and smoke detectors (§ 3). It requires producers of these products, or their designees, to join a respective nonprofit organization that they, or a trade association representing them, establishes.

The bill prohibits producers who fail to participate in the programs from selling their products in Connecticut. A sale can be through a retailer, sales outlet, catalog, website, or similar electronic means.

Under the bill, an organization must develop a plan by July 1, 2022, to, among other things, minimize public sector involvement in managing the applicable discarded products. The organization must submit the plan to the Department of Energy and Environmental Protection (DEEP) for approval. An organization's fee structure or financing system, as applicable, must cover but not exceed program costs, including maintaining a reserve.

The bill (1) allows the DEEP commissioner to civilly enforce the programs' requirements, (2) establishes reporting requirements, and (3) provides immunity to producers and organizations from claims of antitrust or unfair trade practice violations under certain circumstances. It also allows an organization to collaborate with another state with an applicable recycling program.

EFFECTIVE DATE: October 1, 2021

PRODUCTS AND PRODUCERS

The bill generally applies to "producers" of these three products, which vary by product type.

Under the bill, a "producer" of a gas cylinder is someone who (1) manufactures and uses in a commercial enterprise, sells, offers for sale, or distributes a cylinder in Connecticut under its brand; (2) owns or is a licensee of a trademark under which the cylinder is used in those activities, regardless of the trademark's registration status in the state; or (3) imports a cylinder into Connecticut for use in a commercial enterprise or for commercial sale, offer for sale, or distribution.

In the case of tires, the bill defines a "producer" as someone who manufactures a tire that is sold, offered for sale, or distributed in Connecticut under its name or brand. It includes someone who (1) owns a trademark or brand under which a tire is sold, offered for sale, or distributed in the state or (2) imports a tire manufactured by someone without a presence in the United States that is then sold or offered for sale in Connecticut. The bill excludes from its requirements tire manufacturers with a nationally recognized market share of less than 0.1%.

Similarly, a smoke detector "producer" under the bill is someone who manufactures a smoke detector that is sold, offered for sale, or distributed in Connecticut under its name or brand. It includes someone who (1) owns a trademark or brand under which a detector is sold, offered for sale, or distributed in the state, regardless of the trademark's or brand's registration status in the state, or (2) imports a detector manufactured or renovated by someone without a presence in the United States that is then sold or offered for sale in Connecticut.

The bill defines a "brand" as a name, symbol, word, or mark that attributes a product to its producer.

Gas Cylinders

Under the bill, a "gas cylinder" is a nonrefillable or refillable cylinder with flammable pressurized gas, helium, or carbon dioxide, with between 2- and 50-pounds water capacity. It includes seamless cylinders

and tubes, welded cylinders, and insulated cylinders intended to contain helium, carbon dioxide, or any flammable materials such as propane, acetylene, butane, hydrogen, ethylene, and other compressed gases. It does not include a cylinder, tube, or container intended to deliver a noncompressed gas product.

Tires

Tires covered by the bill include products made primarily of rubber that are mounted on wheels of passenger and commercial motorized vehicles, whether on- or off-road, including passenger vehicles; motorcycles; trucks; buses; mobile homes; trailers; noncommercial aircraft; and earthmoving, road building, mining, logging, agricultural, industrial, and other vehicles providing mobility. The bill excludes tires for toys, bicycles, commercial aircrafts, or personal mobility devices.

Smoke Detectors

For the smoke detector program, the bill applies to battery operated or plug-in smoke detectors, carbon monoxide detectors, and combination products intended for use in residential dwellings.

PROGRAMS' PURPOSES AND ESTABLISHMENT

By July 1, 2022, the bill requires producers, or their designees, to join a representative stewardship organization. These stewardship organizations are nonprofits created by producers, or a trade association representing them, that design, submit, and implement the stewardship programs. For tires and smoke detectors, if a trade association creates the program, it must be one that accounts for a majority of tire or detector production in the United States. For tires and smoke detectors, there may only be one representative organization involved in creating a program. In the case of gas cylinders, the bill allows there to be multiple organizations involved. Under the bill, retailers may participate in the respective stewardship organizations.

By the same date, the organizations must submit their respective plans to establish a statewide stewardship program to the DEEP commissioner for approval.

The bill requires an organization's fee structure, or in the case of the tire stewardship organization either its fee structure or financing system, to cover but not exceed the costs of (1) developing the plan; (2) operating and administering the program; and (3) maintaining a sufficient financial reserve. The financial reserve for a gas cylinder program or the smoke detector program must be enough to operate the program in a fiscally prudent way over a multiyear period. The reserve for the tire program must be enough for six months' operation.

Under the bill, a program must minimize public sector involvement in managing the respective discarded product. It must also provide the following:

- 1. free, convenient, and accessible statewide opportunities to receive the discarded products from anyone with one that was discarded in Connecticut, including (a) participating covered entities (see below) that accumulate and segregate at least 30 gas cylinders, six cubic yards of tires, or 50 smoke detectors, as applicable, and (b) municipal transfer stations that discard at least 30 smoke detectors at a time;
- 2. free collection of the discarded products from municipal transfer stations that accumulate and segregate less than 30 cylinders, 100 tires, or 30 smoke detectors, as applicable, and need collection due to space or permit requirements;
- 3. organization-financed, or producer-financed in the case of tires, end-of-life-management for the collected products; and
- 4. suitable storage containers, or some other mutually agreed-to storage and transport arrangement, at permitted municipal transfer stations at no cost to the municipality; however, for cylinders or smoke detectors only if the transfer stations make space available and charge no fee for the containers' placement.

A program must do these things to the extent they are technologically feasible and economically practical. Similarly, to the extent it is

technologically feasible and economically practical, the bill requires recycling to be the preferred disposal method for smoke detectors. It also requires recycling gas cylinders and recovering their residual gases for reuse.

Under the bill, a product is "discarded" if a consumer generally discards or abandons it or intends to discard it.

PLAN COMPONENTS

Under the bill, an organization's plan must do the following:

- identify each participating producer;
- 2. describe (a) its program's fee structure for gas cylinders and smoke detectors, which cannot include a consumer fee charged at the point of sale, or (b) how the program will be financed, in the case of tires;
- 3. establish performance goals for the program's first two years;
- 4. identify proposed program facilities;
- 5. detail how the program will promote recycling the discarded products and how, for the tire program, it follows the state's solid waste hierarchy (see BACKGROUND); and
- 6. describe its public education program.

A "performance goal" is an organization-proposed metric to annually measure a program's performance. It must consider technical and economic feasibility of achieving continuous and meaningful improvement in (1) the state's recycling rate for the involved product (i.e., gas cylinders, tires, or smoke detectors) and (2) any other specified goal.

PLAN APPROVAL AND IMPLEMENTATION

The bill requires the DEEP commissioner to approve a plan if it meets the bill's program and plan requirements. She must determine whether

to approve a plan within 90 days after its submission. The commissioner must post a plan on DEEP's website and solicit public comments before deciding whether to approve it. The bill specifies that the solicitation is not conducted according to the Uniform Administrative Procedure Act.

If a plan is not approved, the commissioner must provide the organization with a notice of determination describing the reasons for disapproval. The organization must revise and resubmit its plan within 45 days after receiving the disapproval notice. The commissioner must review and either approve or disapprove a revised plan within 45 days after receiving it and provide a notice of determination to the organization. The bill restricts resubmitting a revised plan for approval to no more than two occasions. It requires the commissioner to modify and approve a submitted plan to make it conform with the program and plan requirements if the organization fails to provide an acceptable plan.

The bill requires an organization to implement its stewardship program within (1) 120 days after plan approval or (2) 180 days after a DEEP-modified plan is approved.

CHANGES TO A PLAN

The bill requires an organization to submit substantial proposed plan changes to the DEEP commissioner for approval. Under the bill, a "substantial change" is a (1) change in the processing facilities used for the collected products or (2) material change to the system collecting them. A proposed substantial change by a cylinder or the smoke detector organization is deemed approved unless the commissioner disapproves it within 90 days after receiving notice of the change. The bill provides no deadline by which the commissioner must approve a substantial change by the tire organization.

The bill also requires an organization to notify the commissioner of other material program changes on an ongoing basis and without resubmitting the plan for approval. These changes include such things as changing the organization's composition, officers, or contact information.

By July 1, 2025, an organization must submit updated performance goals to the commissioner, which must be based on the program's experience during its first two years.

COLLECTION FEES

When the programs are implemented, the bill prohibits participating "covered entities" from charging to receive gas cylinders, tires, or smoke detectors, as applicable, that were discarded in Connecticut; however, it allows them to limit their acceptance based on number, source, or condition.

Under the bill, a "covered entity" for the programs' products are as follows:

- 1. For a gas cylinder program, it is (a) a political subdivision of the state, permitted transfer station, state park, or campground that has a gas cylinder discarded in Connecticut or (b) a temporary event such as one at a school, college, or university that generated at least 30 cylinders.
- 2. For the tire program, it is a permitted transfer station, tire retailer, car dealership, automotive garage, or fleet maintenance garage.
- 3. For the smoke detector program, it is a political subdivision of the state, permitted transfer station, or permitted household hazardous waste facility that has a smoke detector discarded in Connecticut.

REPORTING REQUIREMENTS

Annually by October 15, the bill requires a stewardship organization for any of the three programs to submit a report to the commissioner on a form she prescribes. The report must then be posted on DEEP's website. Under the bill, the report must include the following information, as applicable:

1. tonnage of gas cylinders or tires, or weight of smoke detectors, collected from municipal transfer stations, retailers, and other

covered entities;

2. weight of gas cylinder or smoke detector materials recycled by the weight of each commodity sold to secondary markets;

- 3. weight of gas cylinders restored for refilling (i.e., refurbished); and
- 4. tonnage of tires or weight of smoke detectors diverted for recycling.

The report must also include (1) a summary of the program's public education efforts, (2) an evaluation of the effectiveness of methods and processes used to achieve program performance goals, and (3) recommendations for any program changes.

Within three years after a plan's approval, the commissioner must submit a report to the Environment Committee that evaluates the program. The report must also establish goals for (1) the amount of discarded gas cylinders or smoke detectors managed by the program and (2) recycling the cylinders or detectors, or diverting the tires for recycling, considering technical and economic feasibility.

INTERSTATE COLLABORATION

The bill allows a stewardship organization to collaborate with another state that has a similar product recycling program, or a stewardship program in the case of tires, to conserve efforts and resources; however, the collaboration must be consistent with the bill's requirements.

UNIFORM PROVISIONS

The following provisions apply uniformly to each product stewardship program.

Administrative Fee

The bill authorizes the DEEP commissioner to asses a reasonable fee, of up to 10% of the total program costs, to a stewardship organization for program administration purposes.

Civil Penalties

The bill authorizes the DEEP commissioner to enforce the program's requirements under her existing authority.

It allows the commissioner to ask the attorney general to bring an action for injunctive relief in New Britain Superior Court if she believes that a person has engaged in, or is about to engage in, any act, practice, or omission that violates the program's requirements. It permits the court to issue a permanent or temporary injunction, restraining order, or other appropriate order, including taking remedial measures and directing compliance. The bill requires that these actions by the attorney general take precedence over other actions in the order of trial.

Program Audit

Two years after program implementation, and then every three years, an organization must pay for a program audit that involves an auditor selected by the DEEP commissioner. The audit must (1) review the accuracy of the organization's program data and (2) provide any other program-related information the commissioner requests, but not any proprietary information or trade or business secrets. The bill also allows the commissioner to request an audit no more than once per year.

The bill requires an organization to maintain all program records for at least three years.

Audited Financial Statements

Existing law requires any product stewardship organization operating in the state to, annually by May 1, submit to DEEP certified audited financial statements and the name of any contractor or organization that has a contract with it valued at \$2,000 or more. DEEP must post and maintain the information on its website (CGS § 22a-905g). This requirement applies to the three new stewardship organizations.

Liability Protection

Under the bill, to the extent a producer or an organization is exercising authority according to the bill's provisions, it is immune from

liability for any antitrust or unfair trade practice claim based on a violation of antitrust law.

BACKGROUND

Solid Waste Hierarchy

Connecticut's Comprehensive Materials Management Strategy (i.e., the revised statewide Solid Waste Management Plan) has a hierarchy as a guide for solid waste management efforts. The hierarchy emphasizes source reduction, recycling, composting, and energy recovery. It lists landfilling and incineration as last resorts for solid waste disposal.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute Yea 30 Nay 2 (03/29/2021)